Production of Cotton Clothes

1003. SHRI ABU ASIM AZMI: Will the Minister of TEXTILES be pleased to state:

(a) the details of the cotton clothes produced during each of the last three years, State-wise and year-wise;

(b) whether gradual decline has been noticed in the production of cotton clothes during the above period;

(c) if so, the reasons therefor; and

(d) the steps taken/being taken to boost cotton production in the country?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN): (a) The details of cloth produced by the mill sector during each of the last three years, State-wise and year-wise, are furnished in statement-I, *(see* below) whereas the details of cloth produced by decentralized sectors *(i.e.* handlooms, powerlooms and hosiery sectors) are as follows:—

(million squire metre)

2004-05	2005-06	2006-07 (Provisional)
43852	47921	51712

The State-wise cloth production data for decentralized sector is not maintained.

(b) No, Sir.

(c) Does not arise.

(d) The important steps taken by Government to boost cotton production in the country are furnished in statement-II.

Statement-I

State-wise production of cloth by mill sector (including exclusive weaving mills)

(Million Squire Metre)

SI. No.	State Name	2004-05	2005-06	2006-07
1.	Gujarat	468.94	516.4	540.39
2.	Karnataka	3.78	4.8	4.49
3.	Kerala	2.79	2.8	2.79
4.	Haryana	44.35	40.9	63.02
5.	Madhya Pradesh	41.17	40.2	60.58
6.	Mahrashtra	393.3	401.3	291.89
7.	Punjab	146.47	173.1	209.25
8.	Rajasthan	111,61	113.2	174.77
9.	Tamil Nadu	104.09	119.7	127.9
10,	Uttar Pradesh	28.96	28.9	25.17
11.	West Bengal	3.43	4.2	4.17
12.	Pondicherry	28.76	22.9	21.99
13.	Himachal Pradesh	34.11	34.1	59.75
		114.05 1525.81		
14.	Dadra Nagar Haveli TOTAL:		153.3 1655.75	159.53 1745.69

Statement-II

Important steps taken by the Government to boost cotton production

(i) To improve productivity and quality of cotton for manufacture and export of competitive downstream textiles products, Government launched the Technology Mission on Cotton (TMC). The Mission has achieved success in increasing productivity and reducing contamination through the upgradation of cotton market yards and the modernisation of Ginning & Pressing factories.

(ii) The Technology Upgradatron Fund Scheme (TUFS) was launched to facilitate the modernisation and upgradation of the textiles industry in the organised and unorganized sectors. The Scheme was further fine-tuned to attract rapid investments in the targeted sub-sectors of the textiles industry. The cost of machinery was sought to be brought down by reducing the customs duty on imports.

(iii) For the speedy modernisation of the textiles processing sector, Government introduced, *w.e.f.* 20.04.05, a credit linked capital subsidy scheme @ 10% under TUFS, in addition to the existing 5% interest reimbursement.

(iv) to provide the textiles industry with world-class infrastructure facilities to set up their textiles units that would meet international environmental and social standards, a Public Private Partnership (PPP) based Scheme known as the "Scheme for Integrated Textile Park (SITP)" was introduced in August 2005.

(v) In 2004-05 Budget, the entire textiles sector, except for man-made fibre and filament yarn, was provided optional exemption from excise duty.

(vi) To facilitate the import of state of the art machinery to make Indian products internationally competitive in the post quota regime, in the Budget for 2005-06, the customs duty on textiles machinery was brought down to 10%. Only 23 machinery items appear in List-49, which attracts a Basic Customs Duty (BCD) of 15%. The concessional duty of 5% continues on most machinery items.

(vii) In the Budget for 2005-06, 30 knitting and knitwear items were de-reserved. This would facilitate the setting up of large sized modernized units to meet the international competition.

(viii) Government launched the Debt Restructuring Scheme *w.e.f.* Sept, 2003 with the principal objective of permitting banks to lend to the textiles sector at an 8-9% rate of interest.

(ix) Government has allowed 100% Foreign Direct Investment in the textiles sector under the automatic route.

(x) Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector so that large scale investment is encouraged in these sectors.

Textile employees who opted for VRS

1004. SHRIMATI SUSHMA SWARAJ: Will the Minister of TEXTILES be pleased to state:

(a) the number-of employees of units of Public Sector Undertaking under Ministry of Textile who have taken voluntary retirement from service during 2005-06;

(b) to what extent the number of employees opted for VRS is more or less in comparison *i the last years; and

c) whether it is a fact that most of the employees have taken this step due to change in nology?